

**RIO DELL CITY COUNCIL
REGULAR MEETING
MAY 18, 2010
MINUTES**

The Regular Meeting of the Rio Dell City Council was called to order at 4:30 P.M. by Mayor Pro Tem Marks.

ROLL CALL: Present: Mayor Pro Tem Marks, Councilmembers Dunker and Thompson

Absent: Mayor Woodall and Councilmember Barsanti

Others Present: City Manager Henrickson, Governmental Consultant Stretch, Chief of Police Hill, Finance Director Beauchaine, Acting Public Works Director Jensen, and City Clerk Dunham

Ron Henrickson was introduced as the new City Manager. He thanked Mr. Stretch for his help in transitioning him into the position.

CEREMONIAL

Proclamation – Older Americans Month 2010 – Gray Matters – the Area I on Aging

City Clerk Dunham read the proclamation proclaiming May 2010 to be Older Americans Month and urging every citizen to take time this month to honor our older adults and professionals, family members, and volunteers who care for many of them.

Jim Pedrotti from Area I on Aging was presented with the proclamation by Mayor Pro Tem Marks. Mr. Pedrotti thanked the City Council on behalf of almost 4,200 seniors in the Eel River Valley Area I on Aging for the support for programs and policies that help seniors in Rio Dell to live more healthy and happy lives.

Jim Stretch announced that Item 0518.11 regarding the introduction of Ordinance No. 268-2010 to contract with CalPERS for retirements benefits, would be moved to this portion of the agenda as CalPERS agreed to answer questions by means of a conference call rather than attend the meeting in person. Kelly Stern from CalPERS was called and placed on speaker phone. Mr. Stretch began with review of the staff report including background and discussion of the CalPERS Plan for both safety and miscellaneous employees followed by recommended action to hold a public hearing, introduce and conduct first reading by title only by title only, approve Resolution No. 1077-2010 declaring the City's intent to enter into a contract with CalPERS to provide 2% @ 60 supplemental retirement benefits for the City's miscellaneous employees, and approve Resolution No. 1078-2010 declaring the City's intent to enter into a contract with CalPERS to provide 2% @ 55 supplemental retirement benefits for the City's safety employees. He stated that employees from each of the respective groups would be provided a secret ballot to

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vote and determine whether a majority of their members approve of the CalPERS proposal. The results of the election would then be certified on a CalPERS form. He said once the employee elections are finalized and CalPERS receives the materials, they will send the actual final documents for execution, making the earliest possible effective date for the CalPERS retirement benefits to begin at July 17, 2010.

The public hearing was opened at 4:46 P.M. to receive public comment on the proposed CalPERS plan.

Sharon Wolfe, 3 Painter St. stated that there was no information regarding the proposal provided to the public prior to the meeting and as a result was not prepared to ask questions.

Tom Bertain, 105 Fern St. asked what would happen in the future when costs increase and the City potentially falls behind on payments due to limited resources such as happened with the Cities of Sacramento and Vallejo. He cautioned the City Council to look forward and plan for the future. Kelly Stern responded to his question stating that the plan the City is looking at is a very conservative plan although would see an increase in the future due to a drop in the market. She indicated the City could pull out of the plan in the future but there would be penalties assessed.

Jim Stretch commented that many potential applicants won't apply for positions in the City if CalPERS is not part of the benefit package.

Councilmember Thompson asked if the stock market should recover down the road, would a decrease in rates be probable; Ms. Stern explained when a large surplus occurs, the rates do adjust.

Councilmember Marks asked if there was a projection on what the increase will be for a small city like Rio Dell over the next few years; Ms. Stern said it was really hard to predict since the City is not part of the risk pool. She said if we were part of the risk pool, the estimated increase would be 9.8% and making that same assumption, 14.7% for the safety group.

Councilmember Dunker stated that other companies must be experiencing similar losses and asked how CalPERS fares with other competitors; Ms. Stern said she didn't have that information but noted the cost of benefit is the cost of benefit and that more money goes out from investments rather than contributions.

Jim Stretch reviewed the recommended action and said the action was predicated on current employee contracts. He said inclusion of CalPERS would help with stability of current employees and attract more qualified applicants for open positions in the future. He noted there would be increases in rates however an increase of 10% for the miscellaneous employee group would only be \$4,700, and would be spread among the various departments.

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Tom Bertain asked if multipliers were built into the figures such as 2.25% @ 62 and 2.5 @ 65, and asked how the City would finance those extra costs; Jim Stretch said there were 50 to 60 miscellaneous benefits available through CalPERS and these figures were predicated on a very basic plan at 2% @ 55 for the safety group, and 2% @ 60 for the miscellaneous group. He further commented that a good retirement plan comes with a price and explained that CalPERS is a defined plan whereas the current 457 plan with ICMA is basically a savings plan which can be risky.

There being no further public comment, the public hearing closed at 5:15 P.M.

Motion was made by Thompson/Dunker to introduce and conduct first reading (by title only) of Ordinance No. 268-2010 *Authorizing a Contract Between the City Council of the City of Rio Dell and the Board of Administration of the California Public Employees' Retirement System*. Motion carried 3-0.

Motion was made by Thompson/Dunker to approve Resolution No. 1077-2010 declaring the City of Rio Dell's intent to enter into a contract with CalPERS to provide 2% @ 60 supplemental retirement benefits for the City's Miscellaneous employees. Motion carried 3-0.

Motion was made by Thompson/Dunker to approve Resolution No. 1078-2010 declaring the City of Rio Dell's intent to enter into a contract with CalPERS to provide 2% @ 55 supplemental retirement benefits for the City's Safety employees (law enforcement). Motion carried 3-0.

The second reading (by title only) of Ordinance No. 268-2010 was scheduled for a June 8, 2010 special meeting of the City Council.

CONSENT CALENDAR

Councilmember Marks asked that Item 2010/0518.10 – Award of Bid to Mercer Fraser Co. for Wildwood Avenue Paving Project be removed for separate discussion.

Motion was made by Dunker/Thompson to approve the consent calendar including the approval of minutes of the April 26, 2010 Special Meeting approval of minutes of the May 4, 2010 Regular Meeting; authorizing submission of the City's Annual Transportation Claim; approval of a Water Bill Claim Adjustment for Linda Freitas at 87 Berkeley St. in the amount of \$125.62; approval of Employment Agreement with Graham Hill, Chief of Police; approval of Employment Agreement with Stephanie Beauchaine, Finance Director; approval of Employment Agreement with Randy Jensen, Water/Wastewater Superintendent; and approval of Employment Agreement with Rick Chicora, Wastewater Superintendent. Motion carried 3-0.

ORDINANCES/SPECIAL RESOLUTIONS

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Ordinance No. 267-2010 Prohibiting the Possession of Open Containers and the Consumption of Alcoholic Beverages in Specified Public Places and Around Schools and a Prohibition on the Consumption of Alcoholic Beverages on near the Premises of Off-Sale Liquor Licenses

Motion was made by Dunker/Thompson to open a public, introduce and read Ordinance 267-2010 by title only. Motion carried 3-0.

Mayor Pro Tem Marks introduced and read the Ordinance by title only, opened the public hearing to receive public input on the proposed ordinance, and called for the staff report.

Jim Stretch explained that for some time the Council has anticipated the development of an open container ordinance, and through the coordination of efforts between himself and the Chief of Police they were able to put together a draft ordinance for Council's consideration.

Mr. Stretch continued with review of the main provisions of the ordinance as follows:

- It is unlawful for any person to either consume or have in their possession an open container of alcoholic beverage in public or within 600 feet of a primary or secondary school, except in (3) designated areas in the City or by special permit.
- The (3) designated areas in the City are sidewalk cafes by encroachment permit, Fire District Park property and the City Hall property.
- The City may issue special event permits at a cost of \$25.00 and \$75.00 per event, depending on the size of the group.
- Special events are defined as gathering of 15 or more persons.
- Public Works is to post appropriate signs at parks.
- Police Department issues special Open Container permits.
- Alcoholic beverages may not be consumed on the premises of any off-sale business.
- The Rio Dell Police Department is to enforce the Ordinance.

Councilmember Thompson stated that the words "by permission" were to be added after "City Hall property" when referring to areas designated as allowable locations; Jim Stretch said that change had already been made.

Councilmember Marks said her only comment was that fees are not typically put in ordinances because it takes longer to amend an ordinance than a resolution. Jim Stretch said the appropriate place to have the fee would be in a master fee resolution but to expedite this ordinance, the fee was included in the ordinance

Sharon Wolfe, 3 Painter St. stated it was difficult to make comments on the proposed ordinance when she did not have the opportunity to review the draft ordinance in advance.

There being no further public comment, motion was made by Dunker/Thompson to close the public hearing and set the second reading and adoption of the Ordinance for June 1, 2010. Motion carried 3-0.

SPECIAL CALL ITEMS

Approve Award of Bid to Mercer-Fraser Co. for the Wildwood Ave. Paving and Pedestrian Improvement Project and Authorize the City Manager to Sign the Notice of Award and Contract Agreement

Councilmember Marks asked for an update on the status of the striping associated with this project and asked if the plan was to proceed with permanent striping knowing that it will change in 3 years or so when STIP funding becomes available to continue with downtown revitalization. Acting Director of Public Works Jensen said the consensus was to go with permanent striping however, the plan could be changed.

Motion was made by Thompson/Dunker to approve the Award of Bid to Mercer-Fraser Co. for the Wildwood Ave. Paving and Pedestrian Improvement Project and authorize the City Manager to sign the Notice of Award and Contract Agreement. Motion carried 3-0.

Determine whether to allocate \$25,000 of local Prop 1B monies for public input phase and concept design for the Wildwood Ave. Pedestrian and Streetscape Improvement Project

Jim Stretch explained the Wildwood Ave. Paving Project bid came in lower than expected which freed up some Prop 1B monies which can be used for any bonified project. He said the City allocated \$589,000 from the Humboldt County Association of Governments (HCAOG) for the purpose of completing a transportation enhancement project on Wildwood Ave with construction to begin in 2010/2011. Due to shortages in the State Highway account, all State Transportation Improvement Project (STIP) funded projects were postponed until 2012 or 2013.

Staff is now asking Council to determine whether to allocate \$25,000 of local Prop 1B monies for public input phase and concept design for the Wildwood Ave. Pedestrian and Streetscape Improvement Project.

Acting Director of Public Works Jensen said that due to the high profile nature of this project he would like to work with a consultant, hold public meetings to solicit public input and come up with a concept design supported by the public. He gave the option of using Prop 1B funds or City funds and asked for Council direction.

Acting Director of Public Works Jensen said he would like to use some of the excess funds allocated for the Wildwood Ave. Paving and Pedestrian Project to do some chip sealing on some of the City's deteriorated streets. He said he would utilize the GIS and the scoring done by Nichols Construction and work with Winzler & Kelly to come up with recommended areas and costs.

Councilmember Thompson stated he would like to move forward with scheduling of a public meeting to discuss concepts for Wildwood Ave. but not make a decision on allocation of the \$25,000 at this time. Acting Director of Public Works Jensen said there may be an allotted time frame associated with use of Prop 1B monies.

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Finance Director Beauchaine stated she would look into the time frame and allocation of the funds stating that the \$25,000 was not a big concern however the balance of the Prop 1B funds was.

Consensus of the Council was that the item be tabled until further research is done by staff.

Merritt Perry, Winzler & Kelly, stated for clarification that since the bids came in low on the ARRA Wildwood Ave. Paving Project there are funds left dedicated for other road projects and that a plan was submitted to the State that leaves remaining funds open for general paving projects. He commented that the costs for paving are at an all time low so the remaining funds allows the City a good opportunity to take advantage of those rates. He said he would bring forth to the Council recommendations on use of the funds and said the City might want to consider spending the \$25,000 on conceptual design and community outreach for downtown pedestrian and streetscape improvements.

Councilmember Marks asked if grindings from paving projects can be used on other streets; Merritt Perry explained the City has stock piled grindings in the past and can and has used them on smaller projects however, there is not a good way to apply grindings on already paved streets, noting that leveling, chip sealing or placement of a 2 inch overlay is typically the preferred method used.

City Manager Henrickson suggested the Council direct him to bring back a report and recommendation once all of the information is obtained.

PUBLIC PRESENTATIONS

None

REPORTS/STAFF COMMUNICATIONS

City Manager Henrickson stated he had nothing to report at this time.

Jim Stretch commented that the legal documents from Mozzetti and Rovai were received and we were moving forward with escrow; and regarding Monument Springs, the title company had not yet completed their reports.

Accounting Supervisor Beauchaine reported on activities in the finance department stating she was working on revenue projections for the budget and had provided budget worksheets to department heads. She also reported the auditors would be here in June to give a presentation on the 2008-2009 audit and to provide an update on the current audit.

Chief of Police Hill reported on recent activities in the police department stating that the officer that had been off work on a workers' comp injury was scheduled to be cleared for duty at the end

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of the week; and said the second new officer would be completing his field training the middle of June.

Jim Stretch said he was very pleased to have the opportunity to work with the new City Manager and said he was certain the transition would be very smooth.

COUNCIL REPORTS/COMMUNICATIONS

Councilmember Thompson reported on his attendance at recent meetings and said he had not been receiving check registers via e-mail as requested. Finance Director Beauchaine stated the disbursements by fund were on file with the City Clerk for review but she understood that check registers and the credit card statements would be sent via e-mail or put in Council mail boxes. She agreed to follow up to make sure they were made available to Council.

ANNOUNCEMENT IN OPEN SESSION OF ITEMS TO BE DISCUSSED IN CLOSED SESSION AS FOLLOWS:

- 1) Conference with Labor Negotiator; the City's Designated Representative Interim City Manager Jim Stretch and City Manager Ron Henrickson concerning Rio Dell Employees' Association (Government code Section 54957.6)

Mayor Pro Tem Marks announced the City Council would be recessing into closed session to discuss the above noted items and asked for public comment. There being no public comment, the Council recessed into closed session at 5:56 P.M.

The regular meeting reconvened at 6:45 P.M. Mayor Pro Tem Marks announced there was no reportable action taken in closed session.

ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 6:47 P.M. to the June 1, 2010 regular meeting..

Melissa Marks, Mayor Pro Tem

Attest:

Karen Dunham, City Clerk